

SECRET



ex Master Op!
Foreign Policy: At 2: Visiting Gulf: Policy file
**PRIME MINISTER'S
PERSONAL MESSAGE**

10 DOWNING STREET

SERIAL No. T68/81

2 BK

THE PRIME MINISTER

27 April 1981

Dear Mr. President,

Thank you very much for your message delivered to me in Delhi. I have just returned from my tour which included Saudi Arabia, the UAE, Oman and Qatar as well as India. You might be interested to have my main impressions to set beside Al Haig's, which I was very glad to have in London before I set out.

My main purpose in visiting India was to try to consolidate relations with Mrs. Gandhi personally. I believe that I succeeded in fair measure. But there is a good way to go if relations between India and the West are to be put on a really sound footing. Mrs. Gandhi is, as you must know, suspicious of our policies and, in particular, of the policies of successive US Governments. She claims to have had virtually no personal relations with your recent predecessors. You might be surprised, however, by the extent of her suspicion of Russian activities in India. She maintains these have often been directed against her, notably in the election of 1977. She is definitely not a Marxist. Indeed she is greatly concerned about the activities of the Communists in India and is casting around for ways to defeat them. Her agricultural policy, and her support for the mixed economy generally, carries the same message.

India's agriculture, incidentally, seems to me to be one of the success stories of recent years. The country has achieved / virtual self-sufficiency

SECRET

SECRET

- 2 -

virtual self-sufficiency in grain. This is the result of the introduction of the new varieties of wheat in the development of which your experts have played such a part.

On the other hand, perhaps as a counter to the threat she perceives from China, or possibly because she feels that the Soviet Union, as the super power nearest to India, has to be appeased, Mrs. Gandhi remains strongly opposed to any action to support the Afghanistan resistance. She argues that the best hope of achieving Soviet withdrawal from Afghanistan, which she genuinely wants, is through negotiations. I made it clear that I thought she was too sanguine.

Entangled with this is Mrs. Gandhi's extraordinarily deep-rooted fear of Pakistan. I defended in public and in private Pakistan's right to weapons for self-defence, and passed on a message from Zia about his wish for friendship with India. Mrs. Gandhi said that she too wished for friendship: Rao, the Foreign Minister, would be visiting Islamabad next month. But it was quite clear, and she said it in public, that arms supplies to Pakistan are regarded in India as objectionable. If Pakistan does indeed carry out a nuclear test, the consequences will be very serious. President Zia has, of course, assured Peter Carrington that he will not test.

My visits to Saudi Arabia and the Gulf were the first there by a British Prime Minister in office, and also a first for me personally. The four States I went to differed much in character and style. But all made me very welcome, and their hospitality and kindness were encouraging. Oman, as you know, is more receptive to our ideas than the rest. The Sultan sees the Soviet threat as his top priority, with the Arab/Israel problem of secondary importance. On the latter he takes a very different, much more reasonable, line on the way forward.

/ For the Saudis

SECRET

SECRET

- 3 -

For the Saudis and the others, Palestine and the recognition of Palestinian rights come first, or at least that is what they said. I believe that in fact they do want a settlement because the continuation of the problem inhibits their cooperation with the West. They are deeply worried about their own Palestinian populations. But they are not yet ready to use their influence with the PLO to persuade them to adopt the more moderate stance which might in turn make possible the kind of talks envisaged in the second stage of the peace process. We shall have to keep working on this, in consultation with your people, the Israelis, and the Egyptians. The position of Syria will be critical. We must somehow try to reduce their sense of isolation. The Soviet Union will, no doubt, be working against us.

Nobody I talked to saw any hope of an early settlement of the Iraq/Iran war. There was much concern about the situation in Iran itself. Similarly, all were pessimistic about Afghanistan. They see little prospect of the UN emissary achieving anything. They are concerned lest his efforts should weaken the resolve of Pakistan whose difficulties, however, they recognise.

The position in North Yemen is confused. Consolidated, it could prove the best barrier to the extension of Soviet influence northwards from the PDRY. But the Saudis, whose influence there is strong, are curiously complacent and indecisive. A number of the other leaders were anxious about the situation. I believe we should give more thought to this problem together.

I was rather impressed by the Sultan of Oman. He has achieved a lot in 10 years and plans more. I told him that we would continue to help him with manpower, at his request. He and his country are important to us. But we must not overburden him.

In the Emirates and Qatar the problems, if any, are those of very rapid development, including populations whose size is growing fast and whose composition is changing. But they seem

/ on the whole

SECRET

SECRET

- 4 -

on the whole to have coped remarkably well with the more intangible and intractable social problems. The new Cooperation organisation between them, Saudi Arabia, Kuwait, Bahrain and Oman will take time to evolve, but should give greater strength and cohesion. I encouraged them to press ahead and offered our support.

Our bilateral relations with all these states are in good order. I was glad to be told in Abu Dhabi that they would be ordering some of our trainer/strike aircraft. Our ability to make a contribution to the defence of the area in an emergency, even on the modest scale we have in mind, depends crucially on our being able to sell our defence equipment. This order was a great encouragement: we shall be following it up energetically throughout the area.

Warm personal regards and
a rapid recovery to full health and
strength. The world needs you

Yours sincerely

Raymond D. Kaltefleiter

The President of the United States of America

SECRET

T68/8

CAB/WHITE HOUSE 001/27
O 271700Z APR 81
FM THE PRIME MINISTER, CABINET OFFICE.
TO THE PRESIDENT, WHITE HOUSE.

BT

S E C R E T

MISC 058

DEAR MR PRESIDENT,

THANK YOU VERY MUCH FOR YOUR MESSAGE DELIVERED TO ME IN DELHI. I HAVE JUST RETURNED FROM MY TOUR WHICH INCLUDED SAUDI ARABIA, THE UAE, OMAN AND QATAR AS WELL AS INDIA. YOU MIGHT BE INTERESTED TO HAVE MY MAIN IMPRESSIONS TO SET BESIDE AL HAIG'S, WHICH I WAS VERY GLAD TO HAVE IN LONDON BEFORE I SET OUT.

MY MAIN PURPOSE IN VISITING INDIA WAS TO TRY TO CONSOLIDATE RELATIONS WITH MRS GANDHI PERSONALLY. I BELIEVE THAT I SUCCEEDED IN FAIR MEASURE. BUT THERE IS A GOOD WAY TO GO IF RELATIONS BETWEEN INDIA AND THE WEST ARE TO BE PUT ON A REALLY SOUND FOOTING. MRS GANDHI IS, AS YOU MUST KNOW, SUSPICIOUS OF OUR POLICIES AND, IN PARTICULAR, OF THE POLICIES OF SUCCESSIVE US GOVERNMENTS. SHE CLAIMS TO HAVE HAD VIRTUALLY NO PERSONAL RELATIONS WITH YOUR RECENT PREDECESSORS. YOU MIGHT BE SUPRISED, HOWEVER, BY THE EXTENT OF HER SUSPICION OF RUSSIAN ACTIVITIES IN INDIA. SHE MAINTAINS THESE HAVE OFTEN BEEN DIRECTED AGAINST HER, NOTABLY IN THE ELECTION OF 1977. SHE IS DEFINITELY NOT A MARXIST. INDEED SHE IS GREATLY CONCERNED ABOUT THE ACTIVITIES OF THE COMMUNISTS IN INDIA AND IS CASTING AROUND FOR WAYS TO DEFEAT THEM. HER AGRICULTURAL POLICY, AND HER SUPPORT FOR THE MIXED ECONOMY GENERALLY, CARRIES THE SAME MESSAGE.

INDIA'S AGRICULTURE, INCIDENTALLY, SEEMS TO ME TO BE ONE OF THE SUCCESS STORIES OF RECENT YEARS. THE COUNTRY HAS ACHIEVED VIRTUAL SELF-SUFFICIENCY IN GRAIN. THIS IS THE RESULT OF THE INTRODUCTION OF THE NEW VARIETIES OF WHEAT IN THE DEVELOPMENT OF WHICH YOUR EXPERTS HAVE PLAYED SUCH A PART.

ON THE OTHER HAND, PERHAPS AS A COUNTER TO THE THREAT SHE PERCEIVES FROM CHINA, OR POSSIBLY BECAUSE SHE FEELS THAT THE SOVIET UNION, AS THE SUPER POWER NEAREST TO INDIA, HAS TO BE APPEASED, MRS GANDHI REMAINS STRONGLY OPPOSED TO ANY ACTION TO SUPPORT THE AFGHANISTAN RESISTANCE. SHE ARGUES THAT THE BEST HOPE OF ACHIEVING SOVIET WITHDRAWAL FROM AFGHANISTAN, WHICH SHE GENUINELY WANTS, IS THROUGH NEGOTIATIONS. I MADE IT CLEAR THAT I THOUGHT SHE WAS TOO SANGUINE.

ENTANGLED WITH THIS IS MRS GANDHI'S EXTRAORDINARILY DEEP-ROOTED FEAR OF PAKISTAN. I DEFENDED IN PUBLIC AND IN PRIVATE PAKISTAN'S RIGHT TO WEAPONS FOR SELF-DEFENCE, AND PASSED ON A MESSAGE FROM ZIA ABOUT HIS WISH FOR FRIENDSHIP WITH INDIA. MRS GANDHI SAID THAT SHE TOO WISHED FOR FRIENDSHIP: RAO, THE FOREIGN MINISTER, WOULD BE VISITING ISLAMABAD NEXT MONTH. BUT IT WAS QUITE CLEAR, AND SHE SAID IT IN PUBLIC, THAT ARMS SUPPLIES TO PAKISTAN ARE REGARDED IN INDIA AS OBJECTIONABLE. IF PAKISTAN DOES INDEED CARRY OUT A NUCLEAR TEST, THE CONSEQUENCES WILL BE VERY SERIOUS. PRESIDENT ZIA HAS, OF COURSE, ASSURED PETER CARRINGTON THAT HE WILL NOT TEST.

MY VISITS TO SAUDI ARABIA AND THE GULF WERE THE FIRST THERE BY A BRITISH PRIME MINISTER IN OFFICE, AND ALSO A FIRST FOR ME PERSONALLY. THE FOUR STATES I WENT TO DIFFERED MUCH IN CHARACTER AND STYLE. BUT ALL MADE ME VERY WELCOME, AND THEIR HOSPITALITY AND KINDNESS WERE ENCOURAGING. OMAN, AS YOU KNOW, IS MORE RECEPTIVE TO OUR IDEAS THAN THE REST. THE SULTAN SEES THE SOVIET THREAT AS HIS TOP PRIORITY, WITH THE ARAB/ISRAEL PROBLEM OF SECONDARY IMPORTANCE. ON THE LATTER HE TAKES A VERY DIFFERENT, MUCH MORE REASONABLE, LINE ON THE WAY FORWARD.

FOR THE SAUDIS AND THE OTHERS, PALESTINE AND THE RECOGNITION OF PALESTINIAN RIGHTS COME FIRST, OR AT LEAST THAT IS WHAT THEY SAID. I BELIEVE THAT IN FACT THEY DO WANT A SETTLEMENT BECAUSE THE CONTINUATION OF THE PROBLEM INHIBITS THEIR COOPERATION WITH THE WEST. THEY ARE DEEPLY WORRIED ABOUT THEIR OWN PALESTINIAN POPULATIONS. BUT THEY ARE NOT YET READY TO USE THEIR INFLUENCE WITH THE PLO TO PERSUADE THEM TO ADOPT THE MORE MODERATE STANCE WHICH MIGHT IN TURN MAKE POSSIBLE THE KIND OF TALKS ENVISAGED IN THE SECOND STAGE OF THE PEACE PROCESS. WE SHALL HAVE TO KEEP WORKING ON THIS, IN CONSULTATION WITH YOUR PEOPLE, THE ISRAELIS, AND THE EGYPTIANS. THE POSITION OF SYRIA WILL BE CRITICAL. WE MUST SOMEHOW TRY TO REDUCE THEIR SENSE OF ISOLATION. THE SOVIET UNION WILL, NO DOUBT, BE WORKING AGAINST US.

NOBODY I TALKED TO SAW ANY HOPE OF AN EARLY SETTLEMENT OF THE IRAQ/IRAN WAR. THERE WAS MUCH CONCERN ABOUT THE SITUATION IN IRAN ITSELF. SIMILARLY, ALL WERE PESSIMISTIC ABOUT AFGHANISTAN. THEY SEE LITTLE PROSPECT OF THE UN EMISSARY ACHIEVING ANYTHING. THEY ARE CONCERNED LEST HIS EFFORTS SHOULD WEAKEN THE RESOLVE OF PAKISTAN WHOSE DIFFICULTIES, HOWEVER, THEY RECOGNISE.

THE POSITION IN NORTH YEMEN IS CONFUSED. CONSOLIDATED, IT COULD PROVE THE BEST BARRIER TO THE EXTENSION OF SOVIET INFLUENCE NORTHWARDS FROM THE PDY. BUT THE SAUDIS, WHOSE INFLUENCE THERE IS STRONG, ARE CURIOUSLY COMPLACENT AND INDECISIVE. A NUMBER OF THE OTHER LEADERS WERE ANXIOUS ABOUT THE SITUATION. I BELIEVE WE SHOULD GIVE MORE THOUGHT TO THIS PROBLEM TOGETHER.

I WAS RATHER IMPRESSED BY THE SULTAN OF OMAN. HE HAS ACHIEVED A LOT IN 10 YEARS AND PLANS MORE. I TOLD HIM THAT WE WOULD CONTINUE TO HELP HIM WITH MANPOWER, AT HIS REQUEST. HE AND HIS COUNTRY ARE IMPORTANT TO US. BUT WE MUST NOT OVERBURDEN HIM.

IN THE EMIRATES AND QATAR THE PROBLEMS, IF ANY, ARE THOSE OF VERY RAPID DEVELOPMENT, INCLUDING POPULATIONS WHOSE SIZE IS GROWING FAST AND WHOSE COMPOSITION IS CHANGING. BUT THEY SEEM ON THE WHOLE TO HAVE COPEDE REMARKABLY WELL WITH THE MORE INTANGIBLE AND INTRACTABLE SOCIAL PROBLEMS. THE NEW COOPERATION ORGANISATION BETWEEN THEM, SAUDI ARABIA, KUWAIT, BAHRAIN AND OMAN WILL TAKE TIME TO EVOLVE, BUT SHOULD GIVE GREATER STRENGTH AND COHESION. I ENCOURAGED THEM TO PRESS AHEAD AND OFFERED OUR SUPPORT.

OUR BILATERAL RELATIONS WITH ALL THESE STATES ARE IN GOOD ORDER. I WAS GLAD TO BE TOLD IN ABU DHABI THAT THEY WOULD BE ORDERING SOME OF OUR TRAINER/STRIKE AIRCRAFT. OUR ABILITY TO MAKE A CONTRIBUTION TO THE DEFENCE OF THE AREA IN AN EMERGENCY, EVEN ON THE MODEST SCALE WE HAVE IN MIND, DEPENDS CRUCIALLY ON OUR BEING ABLE TO SELL OUR DEFENCE EQUIPMENT. THIS ORDER WAS A GREAT ENCOURAGEMENT: WE SHALL BE FOLLOWING IT UP ENERGETICALLY THROUGHOUT THE AREA.

WARM PERSONAL REGARDS AND A RAPID RECOVERY TO FULL HEALTH AND STRENGTH.

THE WORLD NEEDS YOU
YOURS SINCERELY
MARGARET THATCHER

BT

~~PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL NO. T68/81~~

Re 15

COVERING SECRET



10 DOWNING STREET

From the Private Secretary

27 April 1981

Prime Minister's Visit to India &
The Gulf

I enclosed the signed copy of a letter from the Prime Minister to President Reagan about her visits to India and the Gulf. The text of the message has been sent to Washington over the direct line.

MADBA

R

G.G.H. Walden, Esq., CMG,
Foreign and Commonwealth Office.

~~SECRET~~
~~CONFIDENTIAL~~

Greatly concerned about the activities of the Communists in India & is casting around for ways to defeat them.

DRAFT MESSAGE FROM THE PRIME MINISTER TO PRESIDENT REAGAN

clear copy incl PM

Thank you very much for your message delivered to me in Delhi. I have just returned from my tour which included Saudi Arabia, the UAE, Oman and Qatar as well as India. You might be interested to have my main impressions to set beside Al Haig's, which I was very glad to have in London before I set out.

My main purpose in visiting India was to try to consolidate relations with Mrs. Gandhi personally. I believe that I succeeded in fair measure. But there is a good way to go if relations between India and the West are to be put on a really sound footing. Mrs. Gandhi is, as you must know, ~~very~~ suspicious of our policies and, in particular, of the policies of successive US Governments. She claims to have had virtually no personal relations with ~~any~~ your recent predecessors. You might be surprised, however, by the extent of her suspicion of Russian activities in India, ~~which~~ She maintains ^{that} have often been directed against her, ^{notably} in the election of 1977. She is ^{definitely} not a Marxist: ~~Her whole~~ ^{indeed she is} agricultural policy, and her support for the mixed economy generally, ^{shows} ~~this~~ ^{Incidentally,} India's agriculture is ^{incidentally, seems to me to be} one of the success stories of recent years. ^{The country has achieved} virtual self-sufficiency in grain, ~~now achieved~~. This is the result of the introduction of the new varieties of wheat in the development of which your experts have played such a part.

Carries the same message.

On the other hand, perhaps as a counter to the threat she perceives from China, or possibly because she feels that the Soviet Union, as the super power nearest to India, has to be appeased, Mrs. Gandhi remains strongly opposed to any action to support the Afghanistan resistance. She argues that the best hope of achieving Soviet withdrawal from Afghanistan, which she genuinely wants, is through negotiations. ^{I made it clear that I thought she was too sanguine.}

Entangled with this is ^{Mrs Gandhi's} ~~her~~ extraordinarily deep-rooted fear of Pakistan. I defended in public and in private Pakistan's right to weapons for self-defence, and passed on a message from ~~with~~ India. Mrs. Gandhi said that she too wished for friendship: ^{had,} the Foreign Minister, Zia about his wish for friendship, would be visiting Islamabad next month. But it was quite clear, and she said it in public, that arms supplies to Pakistan are regarded in India as objectionable. If Pakistan does indeed

/ carry

carry out a nuclear test, the consequences will be very serious.
I ^{President} hope ~~that~~ Zia ^{has, of course, assured} sticks to his assurance to Peter Carrington ^{that he will} not
~~to~~ test.

My visits to Saudi Arabia and the Gulf were the first there by a British Prime Minister in office, and also a first for me personally. The ^{four} States I went to differed ~~very~~ much in character and style. ^{But} All made me very welcome, and their hospitality and kindness ^{were} ~~was~~ encouraging. Oman, as you know, is more receptive to our ideas than the ^{rest} ~~others~~. The Sultan sees the Soviet threat as his top priority, with the Arab/Israel problem of secondary importance. On the latter he takes a very different, much more reasonable, line on the way forward.

For the Saudis and the others, Palestine and the recognition of Palestinian rights come first, or at least that is what they said. I believe that in fact they do want a settlement because the continuation of the problem inhibits their cooperation with the West. They are deeply worried about their own Palestinian populations. But they are not yet ready to use their influence with the PLO to persuade them to adopt the more moderate stance which might in turn ^{make possible} ~~enable them to agree to the~~ ^{kind} ~~sort~~ of talks envisaged in the second stage of the peace process. We shall have to keep working on this, in consultation with your people, the Israelis, and the Egyptians. The position of Syria will be critical. We must somehow try to reduce their sense of isolation. The Soviet Union will, no doubt, be working against us.

Nobody I talked to saw any hope of an early settlement of the Iraq/Iran war. There was much concern about the situation in Iran itself. Similarly, all were pessimistic about Afghanistan. They see little prospect of the UN emissary achieving anything. They are concerned lest his efforts should weaken the resolve of Pakistan whose difficulties, however, they recognise.

/ The

The position in North Yemen is confused. Consolidated, it could prove the best barrier to the extension of Soviet influence northwards from the PDRY. But the Saudis, whose influence there is strong, ^{are} ~~the~~ curiously complacent and indecisive. A number of other leaders were anxious about the situation. I believe we should give more thought to this problem together.

I was rather impressed by the Sultan of Oman. He has achieved a lot in 10 years and plans more. I told him that we ~~should~~ ^w continue to help him with manpower, at his request. He and his country are important to us. But we must not overburden him.

development
In the Emirates and Qatar the problems, if any, are those of ~~development~~ ^{very rapid change, including population whose size is growing fast & whose composition is changing. But} ~~of~~ ^{on the whole} They seem to have coped remarkably well with the more intangible and intractable social problems. The new Cooperation organisation between them, Saudi Arabia, Kuwait, Bahrain and Oman will take time to evolve, but should give greater strength and cohesion. *encouraged them to focus ahead & offered our support.*

Our bilateral relations with all these states are in good order. I was glad to be told in Abu Dhabi that they would be ordering some of our trainer/strike aircraft. Our ability to make a contribution to the defence of the area in an emergency, even on the modest scale we have in mind, depends crucially on our being able to sell our defence equipment. This order was a great encouragement: we shall be following it up energetically throughout the area.